

**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
FOR THE DEPARTMENT OF COMMUNITY HEALTH**

P.O. Box 30763, Lansing, MI 48909  
(877) 833-0870; Fax: (517) 373-4147

**IN THE MATTER OF:**

**Docket No.** 2014-34679 MSB

██████████,

██████████

██████████

Appellant.

\_\_\_\_\_ /

**DECISION AND ORDER**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, and upon a request for a hearing filed on behalf of the minor Appellant.

After due notice, a hearing was held on ██████████ Appellant's mother, appeared and testified on Appellant's behalf. ██████████ Appeals Review Officer, represented the Michigan Department of Community Health ("DCH" or "Department"). ██████████ Analyst, appeared as a witness for the Department.

**ISSUE**

Did the Department properly deny claims for reimbursement for medical services provided to Appellant?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. Appellant was a █ year-old female who has coverage through Medicaid and Children's Special Health Care Services (CSHCS). (Testimony of ██████████).
2. On ██████████ the Department of Human Services (DHS) initiated an action to terminate Appellant's Medicaid coverage as of ██████████ (Respondent's Exhibit A, pages 5-6; Testimony of ██████████).
3. That action took effect and, as of ██████████ Appellant was only eligible for CSHCS. (Respondent's Exhibit A, pages 5-6; Testimony of ██████████).
4. Appellant received medical services after ██████████ including services through ██████████ and ██████████.

**Docket No. 2014-34679 MSB**  
**Decision and Order**

██████████, and bills for those services were submitted to the Department. (Respondent's Exhibit A, page 10; Testimony of Appellant's representative).

5. However, as those providers had not been authorized by CSHCS to render services to Appellant, the submitted claims were denied. (Respondent's Exhibit A, page 10; Testimony of ██████████).
6. Appellant's representative contacted Appellant's case worker at DHS to address the issue of Medicaid coverage. (Testimony of Appellant's representative).
7. On ██████████, DHS reestablished Appellant's Medicaid coverage, with a retroactive effective date of ██████████. (Respondent's Exhibit A, pages 7-8; Testimony of ██████████).
8. Some of the previously denied claims have been resubmitted and approved by the Department. (Respondent's Exhibit A, pages 10-12; Testimony of ██████████).
9. On ██████████ the Michigan Administrative Hearing System (MAHS) received the Request for Hearing filed on behalf of Appellant. (Respondent's Exhibit A, page 3).
10. In that request, Appellant's representative asserts that she was never informed that Medicaid was being cut off; the services and therapy Appellant received were necessary; she has since contacted Medicaid; coverage has been restored and back-tracked to the original date; and the bills should now be covered. (Respondent's Exhibit A, page 3).

**CONCLUSIONS OF LAW**

The Medical Assistance Program is established pursuant to Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). It is administered in accordance with state statute, the Social Welfare Act, the Administrative Code, and the State Plan under Title XIX of the Social Security Act Medical Assistance Program.

This Administrative Law Judge was designated to conduct an administrative hearing and resolve issues regarding actions taken by DCH and, in this case, Appellant is disputing the Department's denials of claims for reimbursement for medical services provided to Appellant after ██████████

Moreover, this Administrative Law Judge's jurisdiction is limited to reviewing the Department's decisions in light of the information it had at the time it made those decisions.

**Docket No. 2014-34679 MSB**  
**Decision and Order**

Here, at the time of the denials at issue in this case, DHS had previously determined that Appellant was no longer eligible for Medicaid and Appellant was therefore only eligible for CSHCS.

With respect to CSHCS, the Michigan Medicaid Provider Manual (MPM) states in part:

**SECTION 1 – GENERAL INFORMATION**

The policy in this chapter pertains to the Children's Special Health Care Services (CSHCS) program only. This chapter applies to all providers.

Children's Special Health Care Services (CSHCS) is a program within the Michigan Department of Community Health (MDCH) created to find, diagnose, and treat children in Michigan who have chronic illnesses or disabling conditions. CSHCS is mandated by the Michigan Public Health Code, Public Act 368 of 1978, in cooperation with the federal government under Title V of the Social Security Act and the annual MDCH Appropriations Act. CSHCS promotes the development of service structures that offer specialty health care for the CSHCS qualifying condition that is family centered, community based, coordinated, and culturally competent.

MDCH covers medically necessary services related to the CSHCS qualifying condition for individuals who are enrolled in the CSHCS Program. Medical eligibility must be established by MDCH before the individual is eligible to apply for CSHCS coverage. Based on medical information submitted by providers, a medically eligible individual is provided an application for determination of nonmedical program criteria.

An individual may be eligible for CSHCS and eligible for other medical programs such as Medicaid, Adult Benefits Waiver (ABW), Medicare, or MICHild. To be determined dually eligible, the individual must meet the eligibility criteria for CSHCS and for the other applicable program(s).

**SECTION 2 – APPROVED/AUTHORIZED PROVIDERS**

In addition to enrollment with the Michigan Medicaid Program, physicians and hospitals serving CSHCS clients must meet approval criteria to serve as a CSHCS specialty

care provider. The approval criteria are detailed in the CSHCS Approved Providers subsection below.

\* \* \*

## **2.2 CSHCS AUTHORIZED PROVIDERS**

### **2.2.A. PROVIDERS REQUIRING AUTHORIZATION**

The following types of providers will be reimbursed for services provided to a CSHCS client only if authorized by CSHCS to render service to that client.

- Practitioners (including physicians, dentists, optometrists, etc.)
- Hospitals
- Clinics
- Hearing and Speech Centers (audiologists)
- Ambulance
- MDCH volume purchase contractors (e.g., diaper and incontinence supplier, vision contractor, etc.)

To initiate the authorization process, affected providers must contact the CSHCS office in the local health department (LHD) in the client's county of residence. LHD contact information is available on the MDCH website. (Refer to the Directory Appendix for website information.)

### **2.2.B. PROVIDERS NOT REQUIRING AUTHORIZATION**

Providers that do not need authorization to render services to a CSHCS client include pharmacies, hearing aid dealers, home health agencies, independent clinical laboratories, medical suppliers/durable medical equipment, and orthotists/prosthetists. They must, however, be enrolled with the Michigan Medicaid Program. These enrolled providers may render service when ordered or prescribed by a CSHCS-authorized provider and related to the client's CSHCS qualifying diagnosis. The name and NPI of the CSHCS authorized

**Docket No. 2014-34679 MSB**  
**Decision and Order**

ordering or prescribing provider must be entered in the appropriate field on the claim.

*MPM, April 1, 2014 version*  
*Children's Special Health Care Services Chapter, pages 1-3*

Given that policy and the undisputed evidence in this case, the Department properly denied payments for the medical bills submitted regarding services provided to Appellant after [REDACTED] based on the available information.

DHS determines Medicaid eligibility and the Department must rely on that determination when approving or denying reimbursement for bills. In this case, DHS initially terminated Appellant's Medicaid coverage as of [REDACTED] and, at the time the claims were submitted, Appellant was therefore only eligible for CSHCS. Moreover, the providers seeking payment had not been authorized by CSHCS to render services to Appellant. Accordingly, given the above policy and available information, the bills were denied.

Following the denials at issue in this case, DHS has reestablished Appellant's Medicaid coverage, with a retroactive effective date of [REDACTED]. Additionally, some of the previously denied claims have been resubmitted and approved by the Department.

Both the Department's witness and representative encouraged Appellant's representative to have the providers resubmit the remaining bills that were previously denied as the Department's information now reflects that Appellant had Medicaid coverage on the dates the services were provided.

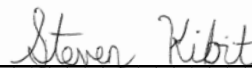
With respect to the previous denials at issue in this case, however, the Department's decisions must be affirmed given the information available at the time.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, finds that, based on the available information, the Department properly denied claims for reimbursement for medical services provided to Appellant.

**IT IS THEREFORE ORDERED THAT:**

The Department's decision is **AFFIRMED**.



Steven Kibit

Administrative Law Judge  
for James K. Haveman, Director  
Michigan Department of Community Health

Date Signed: [REDACTED]  
Date Mailed: [REDACTED]

**Docket No. 2014-34679 MSB**  
**Decision and Order**

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**\*\*\* NOTICE \*\*\***

The Michigan Administrative Hearing System may order a rehearing on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. The Michigan Administrative Hearing System will not order a rehearing on the Department's motion where the final decision or rehearing cannot be implemented within 90 days of the filing of the original request. The Appellant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt of the rehearing decision.